



BIG SKY OWNERS ASSOCIATION

Board of Director's Meeting Minutes March 19, 2010

Big Sky Owners Association Board of Directors met March 19th at 9AM at the Big Sky Owners Association in Big Sky, Montana. Directors in attendance included: Barb Starz, Don Loyd, Michelle "Mitch" Furr, Will Brunner and Rumsey Young. On the phone was Kevin Frederick. Steve Barrett and Greg Ruff were not able to be in attendance. Mary Jane McGarity and Krista Mach represented staff.

1. **Membership Forum:** Al Malinowski was at the meeting to hear the presentation from PBS&J on the Silverbow Pond. Sharon Douglas attended the meeting.
2. **Call to order:** Barb Starz called the meeting to order at 9:07 AM.
3. **February 19, 2010 Minutes - Don Loyd made a motion to approve the February 19, 2010 minutes; Will Brunner seconded. Motion unanimously carried.**

Because community members were present to hear a status presentation on the Silverbow and Little Coyote Ponds by the BSOA consultants from Missoula based Post, Buckley, Schuh, and Jernigan (PBS&J), Chairman Starz suggested that the Old Business Agenda Item "Ponds" be discussed next. See part 5.a.i. of the minutes below for a summary of the discussion.

4. Finance Committee

January Financials - Kevin Frederick asked why jurisdiction mapping account was at 137.75% spent. Mary Jane explained that operating reserve budget for the jurisdiction project was approved by the board for last year and this year with all work being completed in the current fiscal year. The project is within budget as proposed by the contractor and approved by the board.

Mitch Furr asked why the ski pass numbers did not match between the staff report numbers and the finance numbers. Krista Mach stated explained they differ because the staff report reflects passes sold at the BSOA office and the finance numbers include the passes sold at Lone Mountain Ranch.

Don Loyd asked about the utilities account 4115. Krista Mach informed him that we removed the cost for replacement light poles in Meadow Village and created a new expense account (as advised by both the Board and BSOA auditors) called "Repairs and Maintenance" - Account 4150.

Motion made by Kevin Frederick to accept the unaudited February 2010 financials as presented; Don Loyd seconded the motion. Motion unanimously carried.

A/R-Foreclosure Update – Motion made by Mitch Furr to lien all delinquent accounts at The Lodge at Big Sky (Mountain Inn); Kevin Frederick seconded the motion. Motion unanimously carried.

Kevin Frederick asked that Mary Jane McGarity get a title report on the Lodge at Big Sky.

5. Chairman's Report

a. Old Business

- i. **Ponds-** Karl Uhlig, Mike Rotar, and Lance Lehigh from PBS&J attended the meeting to provide a status on the pond project and to obtain board direction. A copy of the presentation will be filed and posted to the web along with the approved minutes of the March meeting. In summary: ‘

PBS&J has completed an engineering and regulatory review for both the Little Coyote and Silverbow ponds. Both ponds are “on-stream” and would not be permitted for construction today. Neither pond has a water right which makes historical maintenance techniques (i.e. dredging) no longer an allowable option. Given the regulatory restrictions, the goal of the BSOA is to obtain necessary permits to alter the ponds so that sedimentation is minimized and to allow for improved fish passage. Ideally, the solution would be to take each pond off channel, obtain a water right, and maintain the pond with gates.

Silverbow Pond – There is no water right for Silverbow Pond; consequently, options to alter and provide for long term maintenance of the Silverbow Pond are severely restricted. One option involves drilling a low flow well for pond recharge which would require construction and maintenance of a pump house. The option was rejected because it is cost prohibitive and Silverbow residents have concerns about the noise/location of a pump house. The solution endorsed by the Board is to complete minor alterations at the outlet of Silverbow Pond to improve fish passage. The upper part of the pond will continue to silt in and eventually support more wetland vegetation. BSOA will plant willow and other wetland species on any disturbed areas resulting from construction activity along the middle fork channel.

Little Coyote Pond – The Big Sky County Water and Sewer District (WSD) currently holds two Middle Fork irrigation water rights with a single point of diversion located inside the boundaries of the Little Coyote Pond. The WSD is working with PBS&J and the BSOA to amend the WSD water rights to better reflect actual historic use. Once the amendments are approved an application will be submitted to the Montana Department of Natural Resources and Conservation (DNRC) that would propose to include a recreational component to the water rights for pond operation. This will allow the BSOA to take the Little Coyote Pond off-channel providing sufficient water for initial filling, continued golf course irrigation and an accounting for evaporative loss from the pond.

Mike Rotar, Senior Engineer at PBS&J presented some challenges to constructing the new stream channel to allow for fish passage. There is a significant elevation drop from the pond, underneath Little Coyote Road (at the bridge) and through the first 30 yards of the Big Sky Community Park as the stream makes its way to the Gallatin. It is critical that we understand how the Little Coyote bridge was constructed (i.e. footing dimensions and depths) as alterations to the current stream channel and flow velocities could affect the structural integrity of the old bridge. PBS&J presented a cost option to move forward with a preliminary bridge investigation. As part of the current contract, PBS&J will provide monthly progress reports to the Board.

Motion made by Don Loyd to proceed with bridge investigation and fund project as proposed (\$52,000) with total pond reserve spending not to exceed \$100,000 and Mary Jane McGarity keeping Board informed of all monthly progress. Mitch Furr seconded the motion. Motion unanimously carried.

ii. **BSOA Pest Management Update-** Mary Jane McGarity requested participation from one or two board members to review postcard and web content that will be provided to the membership. Barb Starz and Rumsey Young volunteered.

iii. **Meadow Village- Streetlights-** North Western Energy said that the lights shipped on 3/10/10 with expected arrival on 3/16/10. Mary Jane McGarity will continue to follow up.

iv. **Office Computers-** Kevin Frederick had his IT person review the bid. Barb Starz said to make sure the machines are password protected and Mary Jane McGarity said that the computers are already password protected. Don Loyd stressed that the computers are for BSOA use.

Motion made by Rumsey Young to approve the purchase of replacement office computers and server; Don Loyd seconded the motion. Motion unanimously carried.

b. New Business

i. **Big Sky Resort- Membership Mailing-** Mary Jane McGarity said that a postcard could go out to membership with the date of record so that the newsletter could go out earlier. Mary Jane McGarity said that a few homeowners were wondering if BSOA was going to send out information on the season ski pass for Big Sky for next winter. Rumsey Young said that Mary Jane should talk directly with Meg O'Leary at the resort and provide her with labels if she would like them.

6. Committee Reports

- a. **Executive** – The Executive Committee did not meet over the past month
- b. **Legal** – Kevin Frederick said Legal Committee continues to chip away at jurisdiction issues. The Board Packet includes a first reading of the Enforcement Resolution. Mary Jane explained that the BSAC will be voting to adopt the resolution at their next meeting and then the final version will come back to the BSOA Board at the April meeting for adoption. Motion made by Don Loyd to accept the draft Enforcement Resolution; Mitch Furr seconded the motion. Motion unanimously carried.

- c. **Nominations** - The nominations Committee did not meet.
- d. **BSAC** - See Board Packet for detail.

7. **Staff Report**- Mary Jane McGarity provided an overview of the staff report.

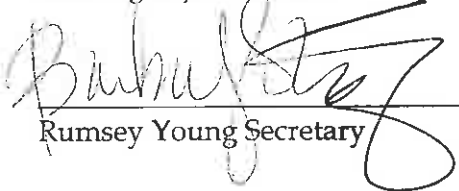
8. **Other**-Mary Jane McGarity said that Mitch Furr has her on the agenda for the April 2nd meeting of the Big Sky Real Estate professionals, and that she will be presenting an overview of BSOA.

9. **Adjourn**- Motion by Mitch Furr to adjourn the meeting; Rumsey Young seconded the motion. Motion unanimously carried.

The next BSOA meeting will be April 16, 2010 at 9 AM.

Meeting adjourned at 11:30 AM.

FOR



Rumsey Young Secretary